

ARTICLE 4: GEOGRAPHIC SCOPE

This Agreement covers the trades between ports on the U.S. Atlantic Coast, on the one hand, and ports in Panama, Australia, and New Zealand on the other hand. All of the foregoing is hereinafter referred to as the "Trade."

ARTICLE 5: AGREEMENT AUTHORITY

5.1 Effective on or about March 20, 2018, ML and HSDG shall charter space to MSC as follows: a total slot allocation of 525 TEUs or 8,400 tonnes per vessel voyage northbound or 7,350 tonnes per vessel voyage southbound, whichever is used first (average weight 16.0 tonnes per TEU northbound and 14.0 tonnes per TEU southbound), including 100 reefer plugs roundtrip. This total allocation shall be split as follows:

(a) from the U.S. Atlantic Coast to Australia/New Zealand, a maximum southbound allocation of 275 TEUs or 3,850 tonnes (whichever is used first) and to the U.S. Atlantic Coast from Australia/New Zealand, a maximum northbound allocation of 275 TEUs or 4,400 tonnes (whichever is used first), with the allocation in each direction to include 100 reefer plugs; and

(b) from Colombia/Panama to Australia/New Zealand, a southbound allocation of 250 TEUs or 3,500 tonnes (whichever is used first) and to Colombia/Panama from Australia/New Zealand, a northbound allocation of 250 TEUs or 4,000 tonnes (whichever is used first).¹ ~~a total slot allocation of 300 TEU slots or 4,800~~

¹ Non-U.S. trades are included in this Agreement solely for purposes of disclosing to the

~~tonnes per vessel voyage leg northbound or 4,200 tonnes per vessel voyage leg southbound, whichever is used first, including 75 reefer plugs.~~

MSC may utilize slots and plugs within its allocation to move containers between the U.S. Atlantic Coast and Panama/Colombia. HSDG and ML shall agree on the number of slots to be contributed by each of them for sale to MSC. The foregoing allocation shall be split as follows:

- ~~(a) A maximum of 150 TEU slots or 2,400 tonnes per vessel voyage leg northbound or 2,100 tonnes per vessel voyage leg southbound, whichever is used first, and 75 reefer plugs to be available for use northbound and southbound between East Coast North American ports and Australia/New Zealand ports; and~~
- ~~(b) The remaining 150 TEU slots or 2,400 tonnes per vessel voyage leg northbound or 2,100 tonnes per vessel voyage leg southbound, whichever is used first, for use northbound and southbound between Cristobal/Balboa and Australia/New Zealand ports only.²~~

~~On ML "B" type and HSDG "Bahia" type ships, ML and HSDG shall charter to MSC, in addition to the allocation set forth above, an additional slot allocation of 100 TEU slots or 1,600 tonnes per vessel voyage leg northbound or 1,400 tonnes per vessel voyage leg southbound, whichever is used first, for~~

Federal Maritime Commission ("FMC") the complete agreement of the Parties. Inclusion of non-U.S. trades does not bring such trades within the scope of the U.S. Shipping Act of 1984, as amended, or the jurisdiction of the FMC.

²~~Non U.S. trades are included in this Agreement solely for purposes of disclosing to the Federal Maritime Commission ("FMC") the complete agreement of the Parties. Inclusion of non U.S. trades does not bring such trades within the scope of the U.S. Shipping Act of 1984, as amended, or the jurisdiction of the FMC.~~

~~use between Cristobal/Balboa and Australia/New Zealand ports northbound and southbound only.~~

5.2 The Parties are authorized to discuss and agree on the terms and conditions relating to the sale of slots hereunder, including slot hire, the maximum weight restrictions (if any) applicable to the slot allocation, the permitted ratio (if any) of particular equipment sizes, and the compensation to be paid for such slots. It is agreed that slots will be paid for on a whether used or not basis and shall, subject to the maxima set forth in Article 5.1 hereof, be available to MSC at all points of a round voyage, including for coastal moves. MSC undertakes that it will comply with all local law/cabotage rules for coastal moves. MSC may not sell or sub-charter slots received under this Agreement.

5.3 HSDG and ML, and the vessels on which they provide space to MSC, shall comply with the requirements of the ISM Code. HSDG and ML shall be responsible for all operational aspects of the vessels. Party A shall have the option to introduce changes to the vessel schedule, and shall communicate ad hoc or permanent changes in the vessel schedule to MSC at least 30 days in advance. In the event Party A clearly demonstrates that factors beyond its control have made it necessary to omit a port or ports in order to restore the schedule, it may load and discharge cargo at the nearest port of convenience with transshipment, storage and other costs to be for the account of the party that issued the bill of lading for such cargo. Party A shall undertake to ensure proper and immediate notice and provide consultation as to efforts to minimize related

ARTICLE 6: ADMINISTRATION AND DELEGATIONS OF AUTHORITY

6.1 This Agreement shall be administered and implemented by meetings, decisions, memoranda and communications between the Parties.

6.2 The following individuals shall have the authority to file this Agreement and any modifications thereto with the Federal Maritime Commission, as well as the authority to delegate same:

- (a) Any authorized officer of each of the Parties; and
- (b) Legal counsel for each of the Parties.

ARTICLE 7: MEMBERSHIP

Initially, membership in this Agreement shall be limited to the Parties. Additional parties may be added by unanimous agreement of the Parties.

ARTICLE 8: VOTING

Except as may be otherwise provided herein, all decisions hereunder shall require unanimous agreement of the Parties.

ARTICLE 9: DURATION AND TERMINATION

9.1 This Agreement will become effective on the date it becomes effective pursuant to the U.S. Shipping Act of 1984, as amended, and shall continue indefinitely, subject to termination as provided herein.

9.2 This Agreement may be terminated by Party A or by MSC by providing not less than six (6) months prior written notice to the other Party.

~~provided, however, that no such notice may be given prior to twelve (12) months from the effective date of the Agreement.~~

9.3 Notwithstanding Article 9.2 above, should MSC repeatedly fail to comply with the requirements described in Article 5.5 of this Agreement, or should MSC not comply with the requirements under the C-TPAT as described in Article 5.6 of this Agreement, Party A may terminate this Agreement with immediate effect.

9.4 Notwithstanding any termination in accordance with Article 9.2 or 9.3 above, the non-defaulting Party(ies) retain its/their right to claim against the defaulting Party for any loss and/or damage caused or arising out of such termination.

ARTICLE 10: ASSIGNMENT

The rights and obligations of any Party under this Agreement shall not be assignable except with the prior consent of the other Parties.

ARTICLE 11: LAW AND ARBITRATION

11.1 Except as otherwise provided in Article 11.2 below, this Agreement is governed by and shall be construed in accordance with the Laws of England. If a dispute arises among the Parties which cannot be amicably resolved and which does not concern outwards liner cargo shipping from Australia, it shall be referred to arbitration in England according to the Arbitration Act 1996, together with the rules of the London Maritime Arbitrators Association. The language of